UNITED STATES OF AMERICA

FEDERAL ENERGY REGULATORY COMMISSION

IN THE MATTER OF THE WALLOWA FALLS HYDROELECTRIC PROJECT	) Project No. 308-005
STATE OF OREGON	)

FEDERAL ENERGY REGULATORY COMMISSION'S SCOPING MEETING AND PUBLIC COMMENTS

May 24, 2011

10:45 a.m.

Best Western Ramada Inn

Enterprise, Oregon

APPEARANCES:

MATT CUTLIP, FERC

RUSS HOWISON, PacifiCorp

KAYLEA FOSTER, aquatic ecologist

EXHIBITS:

(None)

MR. CUTLIP: Well, I think we're going to go ahead and open the meeting. I'd like to welcome everybody to the Federal Energy Regulatory Commission's Scoping Meeting for relicensing the Wallowa Falls Hydroelectric Project.

My name is Matt Cutlip. And I'm a fisheries biologist at FERC. I'm also project coordinator for this project.

Representing PacifiCorp, the licensee, is Russ Howison. I'll let Russ introduce himself and the rest of his team that's here today.

MR. HOWISON: Thanks. I am Russ Howison from PacifiCorp. I'm the relicensing project manager for the Wallowa Falls Hydroelectric Project. And I have Kaylea Foster, one of our aquatic ecologists here with us today.

MR. CUTLIP: Here's the agenda for today's meeting, so you know what we will be covering. I'll start off with some introductory remarks, explain the purpose of scoping, and review the major milestones for the licensing process.

Then Russ will give a brief overview of the existing project and existing operations. I will follow that by identifying and discussing the preliminary list of environmental issues that FERC

staff have identified for evaluation in the Commission's NEPA document.

After which Russ will give a brief overview of the preliminary list, proposed studies that PacifiCorp has identified, including the few modification studies that have been made by PacifiCorp since the preapplication document was issued.

I will follow Russ and discuss the criteria for requesting studies and explain some key dates for study plan development.

And during the presentation we will periodically ask -- or I will periodically ask if anyone has any comments or questions. And you're welcome to speak up whenever.

We already passed around a sign-in sheet, so we should be good there. If you do wish to speak today, we do have a court reporter that will be transcribing the meeting. The official transcripts will become part of the Commission's record for the relicense.

While we want to keep things as informal as possible, we do ask that you state your name and affiliation before providing any comments, to make sure the court reporter is able to accurately attached the commentor to the comments.

In addition, if you brought any written comments, please provide them to the court reporter and she can file them for you.

(Slide presentation).

MR. CUTLIP: There is a mailing list on the back of the Scoping Document. If you wish to be added to the mailing list or have information on the mailing list updated, you can provide that information to me and I can make sure that we take care of that for you.

There is extra copies of the Scoping Documents over here, (indicating). So if you don't have one, feel free to grab one.

Here's some basic information about FERC's website, (indicating). All information submitted to FERC and issued from -- issued by the Commission for this project will be filed in our eLibrary program on the FERC website.

You can eSubscribe to this project, if you haven't done so already. This allows you to keep track of the proceedings for the project.

You'll be notified via e-mail whenever a document is added to the record for the project. And you'll be able to access the document through a link in the e-mail. When you eSubscribe, you'll need to

provide the project number, which is P-308.

The purpose of scoping. Under the Federal Power Act, FERC has the responsibility to issue licenses for non-Federal hydroelectric projects.

The National Environmental Policy Act requires FERC to analyze the environmental effects of proposed hydroelectric projects for the relicensing of the Wallowa Falls Project.

At this time FERC staff intends to prepare a single environmental assessment after the filing of the final license application.

Last month we issued Scoping Document 1. Scoping Document 1 includes a brief description of the Wallowa Falls Project and operations; a preliminary list of resource issues to be considered in the EA; and a description of proposed studies being considered by PacifiCorp.

The Scoping Document also describes the type of information we are seeking as part of scoping, major milestones for revising or preparing a license application, and proposed outline and time line for Commission staff's EA.

The main purpose of our meeting today is to solicit comments and input from the public interesting in non-governmental organizations, and federal, state,

and local agencies, about issues that need to be considered or not considered in the EA.

We also want to begin talking about what information will be needed to address the issues. Finally we want to review, discuss, and finalize the process plan and schedule for prefiling activity.

I'm going to try and keep this brief. I'm quickly going to try and go through the prefiling. Well, actually I'm going to go over the whole integrated licensing process, including prefiling and post filing, but I'll try and keep it brief because it's a lot of material.

And if you want more specific information, I can provide that, point you to places where you can get access to that information on the website.

So the integrated licensing process, we started with PacifiCorp filing its Notice of Intent and preapplication document with FERC on February 23rd of this year. Currently we are in the NEPA scoping phase.

Next, over the next several months we'll be working on developing and finalizing study plans. There will be at least one, if not more, opportunities for participants to meet, review, and modify the study plans.

However, I note that the bar for modifying and adding new studies gets higher as the process proceeds. We'll be discussing the study planning process in more detail a little later on.

Once we have an approved study plan, PacifiCorp will be implementing its study plans over one or two study seasons.

It will also be holding an initial and updated study report meeting, as needed, to discuss the results of the studies and information collected to date.

We also at that time will discuss any potential modifications to the study plan after the filing of the study reports.

As PacifiCorp's collecting information and preparing their study reports, they will also begin developing their license application.

At this time PacifiCorp is proposing two study seasons. Assuming we continue on that time line, the license application will be filed by PacifiCorp in February of 2014. That's two years before the existing license expires.

At that time staff will review the application. And if it is complete, we will issue a notice of ready for environmental analysis, also known

as an REA notice.

With the notice, we will be requesting terms and conditions, interventions, comments on the application.

We will then complete our NEPA review of the project. And as I noted, at this time we are considering or proposing to prepare a single EA for the project.

Once the EA is complete, a licensing decision would be issued. At this time that's expected to occur in March of 2015.

Here are some important upcoming dates for the prefiling ILP. There is a more detailed project schedule on the last page of the Scoping Document.

The first date that is very important is June 23rd. That's about a month from today. That's when all the comments on scoping, comments on the preapplication document and study requests are due from stakeholders.

Based on the comments received and study request, PacifiCorp will file a proposed study plan with FERC by August 7th of 2011.

We will then hold a study plan meeting to work through the study plan and discuss what PacifiCorp proposed versus what was requested, if

there aren't any discrepancies and other items needed to refine the study plan.

Once the study plan process will wrap up on January 4th, 2012, when the director of the Office of Energy Project issues its study plan determination, that letter would resolve any discrepancies between the requested and proposed studies at that time. And the study season, the first study season would then begin.

The second study season would occur the following year. Again, during sometime after the first study season. I think it's in January of 2013, they would hold their initial study report meeting.

And then I believe January in 2013 -- actually after the filing of the preliminary licensing proposal, they would hold their updated study for a meeting if needed.

The preliminary licensing proposal, which is basically a draft license application, Exhibit E, is currently due on October 1st of 2013. There is a 90 day comment period on that.

The final license application, as I noted, under the current schedule would be filed on February 28th of 2014.

At this time I'm going to let Russ describe

the project and operations.

MR. HOWISON: I'm Russ Howison from PacifiCorp Energy. Okay. So we're going to go on a little virtual tour of the project this morning.

(Slide presentation).

MR. HOWISON: This is Project No. 308, as Matt said. So the generating capacity of the project is 1.1 megawatts. It is a run-of-river operation project.

We have a total water right for the project of 16 cfs. 15 cfs of that total is from the East Fork Wallowa River. And 1 cfs is from Royal Purple Creek. We have two separate water right certificates for those two water rights.

The current license was issued in August of 1986. And it expires on February 28th, 2016. For the current license FERC did do an EA. And the EA is very brief. And basically concludes that at that time the project had no significant impact on the environment.

There are 12.1 acres of Forest Service land within the current FERC project boundary. And the Forest Service, as a licensed condition, did issue a licensed condition to FERC requiring the project get a Special Use Authorization.

I have a couple of different maps. The

main purpose of this first one is just to show ownership between us and the Forest Service. PacifiCorp's ownership in the kind of magenta, (indicating).

And the Forest Service ownership is green. So about two-thirds of the total project, linear feature, is on Forest Service land.

The powerhouse is right around here, (indicating). And the tailrace flows into the West Fork. That's all on PacifiCorp property.

And this lower third or so of flow line. And this is our access road, the kind of zigzag back and forth across the flow line. So the diversions and upper portion of flow line are on Forest Service land.

A little more detailed layout of the project, (indicating). Royal Purple Diversion here, the East Fork diversion and forebay here, (indicating).

The penstock is this linear, kind of shown in bright green feature on this map, (indicating). Once again, the sort of zigzagging is the road corridor, the access road corridor.

The plant is right here, (indicating). This is the access road, Powerhouse Road it's called. And this map also shows the bypass reach pretty well.

So this is the East Fork Wallowa River bypass reach flowing down through here, (indicating). It crosses under the penstock and then heads off to the confluence of the West Fork, just above Wallowa Lake. And once again, the West Fork Wallowa River is over here, (indicating).

A little bit on project history. The project was initially built in 1921, by the Enterprise Electric Company.

The original project capacity was eight-tenths of a megawatt. The original license was issued in June of 1924 and expired in March of 1974.

The license was transferred two separate times, from Enterprise Electric to Inland Power and Light in 1928.

And then from Inland Power to Pacific Power in 1942. And when Pacific Power merged with Utah Power in the late '80's, we became PacifiCorp.

The Royal Purple Creek diversion was added in 1929. And the original .8 megawatt generator unit was replaced in 1967.

The original generator took a lightning strike in 1965 and was severely damaged. So they upgraded it and replaced it in '67.

The Commission issued a ten year license

for the project in 1976. And the current license once again was issued in August of 1986.

A few points on project operations. The project is a run-of-river operation with no active storage at the forebay.

The project is primarily operated remotely from our hydro control center in Ariel, Washington on the Lewis River.

So there is a continuous communication back and forth between the powerhouse and the dam and headgate structure.

And the plant is pretty much monitored and operated on a daily basis from the Merwin Control Center we call it.

There is a local operator based here at the Enterprise Service Center. He visits the project on an as-needed basis, which probably equates to maybe once or twice a week in general. But at a minimum, we are required by FERC to visit the forebay at least once a month.

MR. HOMOLKA: Can I ask a question?

MR. HOWISON: Sure.

MR. HOMOLKA: The gate on the top of the penstock, that's remotely controlled?

MR. HOWISON: I'll talk about that in a

minute. But yeah, it is. And I'll speak a little bit more about that in a minute.

So the current license does not specify any daily seasonal ramping rates. There are no particular forebay operations specified in the current license. And there's no flood control requirements in the current license either.

We do conduct annual maintenance between June and August each year. That's done through the Forest Service Special Use Authorization.

So we will identify annually with the Forest Service, what all we kind of have on our list of annual maintenance activities, that includes vegetation maintenance; maintenance of the access road; anything that might be required at the dam, along the water conveyance system; maintenance at the generator unit and turbine; and flushing of sediment from the forebay.

The timing of that, once again, is all done through the Special Use Authorization. And the Forest Service typically requires us to do the maintenance in July before we get into peak fire season.

Forebay flushing is restricted in the current license to the period between May 1 and August 30, to protect kokanee and other salmonic eggs and

fry.

So a little bit more on the operations. We do have these events called unit trips. And those typically occur when issues arise at the local transmission grid or at the substation or with the generating equipment.

And the generator will automatically trip offline to prevent essentially a larger short in the electric system.

If the energy has no place to go, without a trip, you have catastrophic failure and damage to the generator unit.

So with the unit trips, in the majority of cases when a unit trip occurs, there's a deflector plate and a needle valve that's immediately above the turbine. And that will close.

However, there is what we call a minimum flow condition, so that the flow is not completely stopped. And we therefore do not completely dewater the tailrace during most unit trip events.

So if there's some electrical issue out on the larger grid or in the substation right by the plant, the headgate at the forebay will not close and we can basically keep the tailrace watered up.

To get back to Ken's question from earlier,

on rare occasions unit trips may occur due to low penstock pressure or something going on with the water conveyance system.

There are sensors on the water conveyance system on the penstock. And there is an automated system for closing the headgate to prevent -- or in the event of a catastrophic failure.

So I think the way it's supposed to work is the sensors on the penstock would note a drop in penstock pressure.

Which if there were a penstock failure, that would result in a loss of penstock pressure. That would close the headgate.

If there were blockage at the intake and there started to be a sort of vacuum occurring in the penstock, that would result in dropping of penstock pressure. And the headgate would close for that instance as well.

So once the headgate is closed, water then drains through the penstock and through the turbine system. And that takes about two to two and a half hours.

And then you would see the water level, you know, drop. And eventually the tailrace would dry up, you know, in an event of a headgate closure.

A quick look through the facilities. Starting with Royal Purple diversion. It's a very small diversion dam, two feet high, nine feet wide concrete structure.

Once again, it diverts 1 cfs. And that is discharged through an eight-inch diameter of PVC pipe over to the East Fork just upstream of the forebay on the East Fork.

MR. KNOX: Didn't you say your water right was 16?

MR. HOWISON: It's 16 total. So it's 1 from Royal Purple. And 15 --

MR. KNOX: Oh, that was Royal Purple.

MR. HOWISON: Yeah. So that Royal Purple diversion is --

MR. KNOX: It's little bitty.

MR. HOWISON: Tiny little bitty thing. And it diverts 1 cfs. So there is a small flow line associated with the Royal Purple diversion.

That's a 240 foot long partially buried -- this photo shows the sort of partially buried portion, (indicating).

It does go completely underground. And it discharges just upstream of the forebay. And it was originally woodstave and was replaced with the PVC in

2008.

Here's one shot of the forebay itself, (indicating). It's very small, about a quarter of a surface acre. No active storage. And does get light recreational use, I would say.

A couple more shots of the forebay, (indicating). The Forest Service trail is on the river, right over here, (indicating).

The main diversion dam of course is on the East Fork Wallowa River. It's an 18 foot high structure.

It's 125 feet long. It is a rock-filled timber crib structure. It does have an impervious asphalt core.

It diverts our total water right of 16 cfs, is diverted there. And it was rebuilt in 1993. It does have an open spillway across the top. It's about 30 feet wide. And it's at an approximate elevation of about 5,800 feet.

A couple more views of the dam from downstream, (indicating). And this pipe is our minimum instream flow release pipe. It's set at about .8 cfs continuously.

I'll talk now a little bit about the bypass reach. It's about a mile and three-quarters long from

the East Fork diversion down to its confluence with the West Fork.

Our minimum instream flow release is a half a cfs. The upper portion is very steep at about a thousand feet per mile or 19 percent gradient.

And the lower three-quarter of a mile is considerably less steep, at about 450 feet per mile or about 8 1/2 percent gradient.

These are a couple of pictures of the upper bypass, (indicating). Very cascading type stream, with a lot of woody debris in it.

Here's a couple of shots of the lower bypass. This one in particular, I think really shows the transition well from the steeper gradient.

This is probably a fish barrier at this waterfall here, (indicating). And this is the lower penstock trestle. And what I would consider to be the lower gradient reach begins more or less here, (indicating).

This picture was taken at our site visit a couple of weeks ago. And I think this was back kind of in the mid part of the lower reach, back behind the Oregon State Park's maintenance yard.

The project flow line, or penstock as we also call it, is about a mile long. The upper half of

it, upper 2,800 linear feet is 18 inches in diameter. It necks down to a 16 inch diameter pipe for the lower half.

There are two elevated trestle sections. One right about where the flow line crosses Royal Purple and then another lower down in the photo here, (indicating), where it crosses the East Fork Wallowa. The remainder of the flow line is buried. That's about 85 percent of the flow line is buried.

A couple of pictures of the upper trestle, (indicating). You can see the stream, (indicating). This is the bypass reach up here.

The powerhouse was originally constructed in '21. It has a total hydrologic head of 1,168 feet. It has a Pelton wheel type turbine. And it has a generating capacity of 1.1 megawatts.

It is a single generating unit. It is a run-of-river project once again. And the powerhouse is at about 4,600 feet in elevation.

A couple of views of the inside of the powerhouse and the generator and turbine, (indicating).

The project tailrace is about a thousand feet long. It discharges into the West Fork Wallowa. The upper 50 feet is the concrete -- it's a concrete

lined canal, which is shown here, (indicating). And the lower 950 feet is unlined channel.

We do have one recreation facility, Pacific Park Campground. It is not a current license requirement.

It is however within the FERC project boundary. And we've also included it in our FERC public safety plan, that's currently on file with FERC.

There is one double camp unit and ten single camp units. It has two vault toilets. Full hookup with domestic water and electricity. It is available by reservation only.

And based on our most recent use data taken in 2007 for our FERC Form 80 recreation report, it operates at about 75 percent capacity during the peak summer season.

And we had, in 2007, a total of 541 overnight visits. And peak weekend, one time of 60 visits in 2007. And that's all I had.

MR. KNOX: What's the season that that's operating?

MR. HOWISON: It's basically Memorial Day to Labor Day.

MR. KNOX: Yeah. I thought it was

fairly short.

MR. HOWISON: Yeah.

MR. KNOX: It gets a lot of use.

MR. HOWISON: Yeah. It's pretty popular.

MR. CUTLIP: Thanks, Russ. Now, I think -- unless there's any other questions or concerns for Russ, on operations or -- okay. We'll move on.

We're going to discuss the resource issues that are identified in Section 4.2 of the Scoping Document. That's Pages 15 and 16.

This is the current list of issues that staff has identified and we intend to analyze in the single EA for the project. This list of issues will also provide a basis for identifying information gaps.

That would be filled through the study planning process. This list is not intended to be exhaustive or final, but it is an initial listing of issues that have been identified and could be potentially significant.

We are interested in hearing from you, whether we have captured all the issues or whether some need to be added or some could possibly be eliminated.

At this point I'll go through a list of issues by resource area. And we can take any verbal comments that you may have.

So I'll start with geologic and soils resources. The only issue that we identified is the effects of project operation on soil erosion, particularly along the upper portion of the East Fork dam access road.

Are there any comments that you may have or did we miss something related to the geology and soils?

MR. HOMOLKA: I think one thing. I don't know if you need to be this specific at this time, but there was in the past 20 years or so, there's been --

MR. KNOX: There was two penstock failures. One in '96 and one in '99. One, the penstock ruptured. And the other, a tree fell on it. That both caused some fairly significant erosion of the hillside and sediment input into the river.

MR. CUTLIP: Okay.

MR. KNOX: On one of those, the shutoff at the top didn't work. It wasn't recognized what was going on for awhile.

And I have some pictures of it in the file

here. It came from your forks.

MR. HOWISON: It's very likely. And I'm not sure if that particular event was before the current system was installed or not.

MR. KNOX: Well, they told us there was some solenoid thing that didn't work as it was supposed to, is what we were told.

MR. HOWISON: Uh-huh.

MR. KNOX: And the timing of both of those was not good in terms of fish stuff, because they both happened in mid to late September, right in the peak of the kokanee spawning time.

MR. CUTLIP: So I think that that is definitely a valid issue. How does this sound, the effects of project penstock failures on soil erosion in the project area, would that work?

MR. KNOX: Yeah.

MR. CUTLIP: That captures it?

MR. KNOX: It captures the general essence of it, yeah.

MR. CUTLIP: Okay. Anything else on geology and soils? Okay. We'll move on to the next resource area, which is aquatic resources.

MR. HOMOLKA: Actually I do have something else.

MR. CUTLIP: Okay.

MR. HOMOLKA: You talk, there was mention of what is it, flushing the sediment of the forebay. What does that entail?

MR. CUTLIP: Do you want to address that?

MR. HOWISON: So the current, the way that we have done the forebay flushing in the past was to draw the reservoir down, open the low-level outlet pipe all the way.

And essentially just kind of wash the bottom of the reservoir out and have it go down the low-level outlet of the forebay.

And so as I mentioned in my presentation, you know, that the timing of that is we basically do it in July at the same time as the other annual maintenance.

MR. HOMOLKA: Okay. You should probably add that in.

MR. CUTLIP: You want to add that?

MR. HOMOLKA: Yeah.

MR. CUTLIP: How about effects of -- it actually is a de-silting pond. But whatever, forebay de-silting pond, maintenance on sedimentation of the East Fork?

MR. HOMOLKA: Uh-huh.

MR. CUTLIP: Okay. I got that one. Any others for geology and soils type resources?

MR. HOMOLKA: No.

MR. CUTLIP: Okay. Onto aquatic resources. The first issue is water quality issue, it's the effects of project operations and maintenance on water temperature, dissolved oxygen, total dissolved gas and turbidity of project waters.

Are there any other parameters of concern that you think need to be addressed? Those were the big ones I identified.

I like to kind of clearly define the parameters, because it helps in the study planning process for PacifiCorp and, you know, really narrow it down. So we're not going into lengthy analysis on issues that may not be --

MR. KNOX: Well, really the only one of those that becomes an issue with that location is turbidity.

MR. CUTLIP: Turbidity?

MR. KNOX: Yeah. We don't really have issues with temperature, dissolved gas.

MR. CUTLIP: Okay.

MR. HOMOLKA: But it also talks about

project waters. And what is considered project waters? Is it the entire bypass reach of forebay to the lake as well?

MR. CUTLIP: You know, I typically -- I don't think that our scope here would extend to the lake, but I think what I was envisioning is East Fork bypass reach, the main stem of the East Fork, the full flow reach.

I guess it's the bypass reach the whole way, because the return flow goes to the West Fork. So it would be really the tailrace and the East Fork bypass reach, is probably where I was thinking there would be any effects.

MR. HOMOLKA: And DEQ would probably still require monitoring of these parameters for the 401 anyway?

MR. CUTLIP: Exactly.

MR. KNOX: I'm just saying that most of those don't become an issue.

MR. CUTLIP: Right. But we do like to have -- we need to have some water quality are effecting environment.

It's pretty typical in our NEPA document. So that's why those are on there. I understand what you're saying.

So I think at this point we'll probably go with what we have here. And then we'll -- you know, the Oregon DEQ might have some additional comments about the scope of the water quality analysis, but we can wait and see if they file anything. Would you prefer if it clarified that this is the East Fork bypass region tailrace?

MR. HOMOLKA: I think that's probably to the extent of --

MR. KNOX: Well, we should define project water.

MR. HOMOLKA: Yeah.

MR. KNOX: It's kind of a definition thing.

MR. HOMOLKA: Well, when we met on the site there two weeks ago, they talked about putting some monitors in the rest of the forebay area.

MR. HOWISON: Right.

MR. HOMOLKA: And is the flow coming into the forebay as well?

MR. HOWISON: Yeah. Just to try to get some, you know, kind of control basically, background, inflow.

MR. CUTLIP: All right.

MR. HOWISON: Right up toward the

inflow.

MR. CUTLIP: I'm just trying to see if there are any -- it would be a good way to figure out if there are effects, to get something. Immediately upstream and reservoir.

MR. HOWISON: Right. Kind of a control point.

MR. CUTLIP: Okay. We'll move on to the fisheries issues. The first one is the effects of project operations and maintenance on available habitat for rainbow trout and bull trout.

MR. KNOX: You need to add kokanee to that list.

MR. CUTLIP: Kokanee, okay.

MR. KNOX: And there are -- I don't know how to put this. There's discussions, but we don't really know where they're going just yet, on potential reintroduction of anadromous fish to the lake ecosystem, which would include the river above the lake.

And mainly they're talking about sockeye salmon. There were historically sockeye salmon in the lake.

I don't know how you guys treat that in this kind of a process, because it's -- there isn't a

set -- how to put it.

There's been some kind of preliminary plans developed, but there's not a definite plan of action on it at this point yet.

MR. CUTLIP: I think how we would handle that is we would probably look at it at this point as accumulative effect.

And because it is -- you know, you could probably say that it's reasonably foreseeable. Or we would have to make a case that it's reasonably foreseeable. But if it is, within the next 30 to 50 years, which is the scope of --

MR. KNOX: I would say it's reasonably foreseeable in that time frame.

MR. CUTLIP: Then we would probably look at it from that standpoint. Does that sound reasonable?

MR. KNOX: Because they have to rebuild the dam at the Wallowa Lake. And it probably will include fish passage when it gets rebuilt.

MR. CUTLIP: Okay. I didn't discuss cumulative effects, because -- I should have said this first before we started, they're site specific issues.

But we at this time didn't identify any cumulative effects that this project may have or

contribute to.

But we're obviously welcome to comments on cumulative effects. And I think that that can be a very valid issue from a cumulative effects standpoint, is potential reintroduction of anadromous fish, where the project would cumulatively effect those fish. So I think at this time --

MR. KNOX: I'm not sure we'd be looking at any different sort of effects than we have on the fish that are already there.

I just wanted to bring it up as something if you're talking aquatic resources, there ought to at least be a mention of it somewhere.

MR. CUTLIP: Okay. Would you be interested in filing -- do you intend to prepare written comments?

MR. HOMOLKA: Yes.

MR. CUTLIP: Would you be able to put something together, so we can take a really good look at that issue?

MR. HOMOLKA: Uh-huh.

MR. CUTLIP: And then we'll deal with it.

MR. HOMOLKA: Yeah. That would expand the geographic scope as well.

MR. CUTLIP: Right. Well, yeah. We would have to identify geographic scope for cumulative effects. Right now we don't even basically have one, because there aren't any. So we would definitely look forward to those comments.

Okay. So I have effects of project operations and maintenance on available habitat for rainbow trout, bull trout, and kokanee.

The next issue is effects of project operations, specifically unintended ramping on dewatering of bull trout redds in the powerhouse tailrace channel. Is there --

MR. KNOX: You'd want to add kokanee to that.

MR. CUTLIP: Kokanee.

MR. KNOX: And I don't know as far as winter flows there, if we ever get to the -- if the bypass channel ever changes flow enough, that that would be an issue also of the bypass channel.

There are really low flows, like things get really cold in winter. I think it could potentially be --

MR. CUTLIP: So --

MR. KNOX: I know when we went through the last process, one of our comments was in the mid

'80's, about maintaining a minimum flow in that bypass reach.

I don't -- to my knowledge, it's never become an issue there. We felt we weren't getting the minimum flow in the bypass reach. But I know it was included in our comments in the last licensing process.

MR. CUTLIP: Do you think that would be covered by the issue, the No. 2 issue there, project operations and maintenance on available habitat?

MR. KNOX: Yeah, it would.

MR. CUTLIP: Okay. Anything we missed on fisheries? Any other aquatic resource issues?

MR. KNOX: Well, the main thing that we -- where we documented a potential effect on fish resources was the penstock failures.

And like I said before, those caused some -- one in particular, in '96, caused some pretty significant erosion of some of the hillside. And that ended up going down the river.

And it happened at a time when kokanee were spawning. And I don't know how you want to word something like that. It's generally included in that second bullet.

MR. CUTLIP: Right. But we can

specify. It may not be a bad idea to make sure that we capture it.

It's fully addressed that we specify in addition to the erosion potential, put the actual effects on fish and aquatic habitat in the East Fork.

MR. KNOX: I don't know -- like I said, the explanation we got was that something didn't work in that automatic shutoff process.

And I don't know if there's something that can be put in about testing that periodically or whatever.

You know, how to make sure that it's going to work when you need it to work. I don't know how you guys word stuff like that.

But, because that's been our -- this project overall has been fairly benign as far as fish and wildlife impacts. And with that exception, the penstock failures.

MR. CUTLIP: Here's a -- proposed something that we've done in the past on issues like that.

But one thing we can describe this issue as effects of project penstock failures on aquatic habitat and fishery resources of the East Fork, Wallowa River. And any potential measures to address

penstock failure.

That way we can look at that. And we can do an analysis of what is currently happening or what happened in the past.

Whether anything's been done since then and now to mitigate the potential for that. And then if not, what can we do in the future.

MR. KNOX: Yeah. I don't know if that shutoff system has been upgraded since then or what's been done with it.

But I know one of the explanations we got was that something didn't work like it was supposed to.

MR. HOWISON: Uh-huh, okay.

MR. CUTLIP: Okay. Any other aquatic resource issues?

MR. KNOX: Nothing that I can think of.

MR. CUTLIP: Okay. If something else comes up, you know, obviously we'll accept written comments for another 30 days.

MR. KNOX: Not that it hadn't already been covered. Like I said, minimum flow in the bypass reach.

And Russ already went over the timing of any maintenance work, to avoid eggs and fry in the

gravel. So as far as I can tell, it's already done.

MR. CUTLIP: All right. We'll move onto terrestrial resources. We just have one issue at this time; and that is, the effects of project operation and maintenance on wildlife and botanical resources occurring in the project area. Anything?

MR. HOMOLKA: Do the power lines, are they -- do they meet the applicable standards?

MR. HOWISON: Well, for this project there really isn't any power line that's within the project boundary.

The sub that's within the fence, is tied to the grid. So basically the only line, if you will, is what runs from the plant to the sub.

MR. CUTLIP: And how far is that, how big, how long?

MR. HOWISON: 30 feet, 40 feet.

MR. CUTLIP: Is it above ground or --

MR. HOWISON: That, I'm not sure.

MR. CUTLIP: Because that would be the only jurisdictional piece.

MR. HOWISON: We can certainly look into it.

MR. CUTLIP: Do you want to look at that and make sure whether it's above or below ground

and whether it complies with current avian protection measures?

MR. HOWISON: Yeah.

MR. CUTLIP: Okay. Any other for terrestrial resources?

MR. HOMOLKA: I can't think of anything.

MR. CUTLIP: Okay. We'll move on to threatened and endangered species. Effects of project operation and maintenance on the following threatened and endangered species.

These are federally listed. Bull trout, gray wolf, MacFarlane's four o'clock, and Spalding's catchfly.

These were species that were identified based on the Wallowa County list, off the Fish and Wildlife Service website.

We probably wouldn't ask for a complete species list from Fish and Wildlife Service until after the application is filed.

But this is preliminarily what we would look at in our NEPA document. We would update it at that time, based on what -- you know, maybe species that have been delisted or more species added, so on.

MR. KNOX: The listed status of the

wolves changes about every two weeks.

MR. CUTLIP: Yeah. And I guess I'll add that if any of these species are delisted between now and when the application is filed, we probably wouldn't look at them. Because they're not federally listed, so we're not required to.

Any comments about --

MR. KNOX: That didn't need to go into the record.

MR. CUTLIP: Yeah. Any comments about any of these species?

MR. HOMOLKA: Well, let's see. We get into the cumulative effects that we talked about and the possibility of reintroduction in those species would be listed. Kokanee?

MR. KNOX: Yes. Any of the anadromous species that would get -- sockeye would be the main one. But Snake River's sockeye are listed as endangered right now.

That's one of the questions about how this -- any potential reintroduction would be dealt with, is what stock would be used.

And I don't know, NMFS would have to make a determination on listing status, how they would treat them.

There's been -- like what they did in the Deschutes, was they give them experimental designation, which wasn't -- doesn't have near as restrictive state restrictions as a regular listing.

MR. CUTLIP: Right.

MR. KNOX: I wouldn't want to try to predict how that would go with sockeye in Wallowa Lake.

MR. CUTLIP: I think maybe at this point we'll just look at it from cumulative effects.

MR. KNOX: I think it's one of those things that needs to be acknowledged that it may happen. But I don't think we're in the position to get into the details at this point.

MR. CUTLIP: Sure. I think that that's -- in the past what I've seen us do is address that sort of thing on accumulative effects.

And we usually just evaluate to the extent that we can. Understanding that it's reasonably foreseeable. So you're pretty limited.

And it's difficult to develop licensed conditions for something that's not there right now. So we just look at it from that standpoint, try and disclose any potential effects and so on and then just move on. So, okay.

Okay. So onto recreation and land use. The issues that we have identified are the adequacy of existing recreational facilities and public access within the project boundary to meet current and future recreational demand. Future being the term of the new license.

Any effects of the project on the recreational experience of users accessing the Wallowa-Whitman National Forest and Eagle Cap Wilderness, any comments about those issues?

MR. HOMOLKA: (Nods head negatively).

MR. CUTLIP: Okay. Onto the next resource area, cultural resources. We have effects of the project on historic properties and traditional cultural properties located within the project area of potential effect. Any comments?

Okay. Onto aesthetic resources, effects of project facilities and operations on the aesthetic visual experience of visitors and residents using project lands and waters. Any comments?

MR. HOMOLKA: (Nods head negatively).

MR. CUTLIP: Okay. And finally developmental resources. This isn't usually looked at as an environmental resource, just this is basically just to note that in our NEPA analysis we'll have a

section of a NEPA document that's based on economics.

And it will evaluate the costs of PacifiCorp's proposed action and any additional measures recommended by staff or by stakeholders or, you know, mandatory conditions, that sort of thing.

And we'll assign a cost to all the measures and it will help us do our comprehensive development, balancing of environmental versus developmental resources of the project.

So that's the end of the resource issues discussion. Anything else before we move on?

MR. HOMOLKA: No.

MR. CUTLIP: Okay. At this point I'm going to turn the meeting back over to Russ so he can discuss PacifiCorp's current list of proposed studies that have been refined since the filing of the PAD and after review of our preliminary listed issues in the Scoping Document. So Russ, go ahead.

MR. HOWISON: Okay. Since we're such a small group, I have kind of a basic rundown. And it's -- I'm just going to pass this out, so you can sort of follow along as I talk through these things, (indicating).

And as Matt said, this is kind of our current thinking on studies. And we definitely are

continuing to think things through as we move forward. And will, you know, be refining these a lot by the time we file our study plans in August.

First of all just to maybe speak to the points Matt made about two study seasons. We do -- I guess, I'm very hopeful that we can accomplish most of our studies in one field season.

However, I thought that, you know, if something does come up on a particular issue, that we may need to go back and take a second look at something.

But it's very much our intent with most resource areas, to do the bulk of the work in one study season.

And at the conclusion, the study summary, when we have that, release our study summary document and have our study summary meeting, one of my -- one of the company's desired outcomes would be to identify if we need to do any additional work in the second year.

But I think that will be more fully flushed out in our study plan in terms of what we're doing and timing and when.

MR. CUTLIP: Okay. I guess the only thing I would say about that is, if that is the

desired outcome and that's your proposal and your study plan reflects that proposal, and it could be effected obviously by study requests and what we get from stakeholders.

But if we do end up in a position where we are only going to do one year studies, the only thing that would effect the licensing efforts, we would have to -- we would amend the schedule basically, to note that your application filing would be moved up a year, everything would be moved up a year.

MR. HOWISON: Okay.

MR. CUTLIP: But we can deal with that at that time, after you propose. If in fact you propose something, and it's one year studies, and we have no issues with that from stakeholders, I think we would probably prefer to go that route, amend the process plan.

And at the end of the study planning period, you would have -- you would just note -- we could still have the second study season, but it would just be if needed. And then it would move up all the rest of the dates a year.

MR. HOWISON: Okay.

MR. CUTLIP: But we can cross that bridge when we get to it.

MR. HOWISON: All right. Good. Okay.

So once again, our revised studies list for geology and soils, there really isn't anything that I'm presenting today that's different than what's in the PAD.

So we're basically going to continue on with planning, to conduct a risk and needs assessment of the forebay access road.

However, given the comments we just got today, we'll certainly be thinking about geology and soils a little bit more.

For water resources, and really most of the revisions or updates that I really have to talk about today have to deal with aquatic resources primarily.

So for hydrology, we are proposing to conduct gauging at project effected waters, including the natural inflow point above the East Fork Wallowa diversion and the bypass reach and tailrace.

We took a closer look at Royal Purple. And we think it's going to be very difficult to gauge Royal Purple.

So we're going to do more of an estimate of flows in Royal Purple by looking at basin hydrology and trying to do some comparative analysis and identify flows in Royal Purple by that methodology.

So for data collection, we'll be installing some fixed gauges. We'll also be doing open channel spot flow measurements.

And as part of the spot flow measurements, we're very interested in accretion. So we'll be doing a synoptic series of spot flow measurements seasonally along the bypass reach to determine natural accretion within the reach.

And once again, that's primarily in the lower section, accretion in the lower section versus what we are releasing up the dam for minimum instream flow.

For water quality, we have a suite of studies we're proposing to monitor the following parameters.

And those parameters basically reflect what's in the Scoping Document. Those include temperature, dissolved oxygen, total dissolved gas and turbidity.

And the study area for those that we're proposing are the inflow points at Royal Purple and the East Fork and the bypass reach, the forebay and the tailrace.

And we did -- I do want to add that we'll be taking a particularly close look at temperature and

dissolved oxygen in the May to October time frame. And I think that's primarily at the tailrace.

For fish and aquatics, we're still proposing a habitat survey, habitat survey and mapping. But we refined that a little bit to focus that on the lower three-quarter mile of the East Fork bypass.

We'll follow the method described in the USDA Forest Service's Region VI Stream Inventory Handbook.

And you know, we're very interested in that lower three-quarter mile of the East Fork bypass reach, because that's considered the portion of the reach that provides to the bull usable habitat.

And the upstream portion is blocked by the falls right there at the lower trestle. And is characterized by a very steep cascading channel.

So the next one is basically our instream flow study proposal. And --

MR. KNOX: One question. Why wouldn't you also do the habitat survey in tailrace?

MR. HOWISON: Well, I guess, I don't -- I'm not sure what we would use that information for. And to scoping, I think the reason why we pulled back on that is the Scoping Document didn't really identify

it as an issue.

And we're not -- the main purpose for doing the habitat mapping is how it pertains to the instream flow modeling. We're not proposing instream flow modeling in the tailrace.

MR. KNOX: Okay.

MR. CUTLIP: Yeah. I don't think there's a whole lot you could do with this project to add flow to the tailrace.

MR. KNOX: Well, you couldn't add flow.

MR. CUTLIP: And the habitat that's there is going to be utilized for spawning rearing, you know, maybe some fry.

MR. KNOX: Just that it does provide some habitat. It is effected by the project. I didn't know, I just asked the question.

MR. HOWISON: Okay. So for our instream flow study, after meeting a couple of weeks ago with ODF&W and U.S. Fish and Wildlife Service and reviewing the reach, our current thinking is that we will be proposing a PHABSIM type methodology. Once again, focused on that lower three-quarter mile.

And we think that that study would be really geared toward bull trout, and perhaps to a lesser extent kokanee. And we would like or we think

that that would include existing habitat suitability curves.

The next one is evaluation of fish use of the project tailrace and the bypass East Fork Wallowa River.

That one is basically an electrofishing and snorkel surveys to gain a better understanding of seasonal presence absence and species composition and relative abundance within the project effected reaches.

So that includes -- or the project effected waters, rather. So that would include the tailrace and the bypass reach.

And then finally for fisheries resources, we have evaluation of the extendible trout use of the project tailrace and the bypass of East Fork Wallowa River.

And essentially that's a PIT-tag type effort. I have details laid out in our document here, (indicating).

And that would really depend largely on the success of being able -- how many fish we catch and --

MR. KNOX: It's going to be a challenge.

MR. HOWISON: How many tags we can

dispatch.

MR. HOMOLKA: That might be something that would be difficult to collect good information or much information in one single year.

MR. HOWISON: Uh-huh.

MR. HOMOLKA: I mean, if you have the detectors out there and we could keep them operating, at least a couple of seasons worth of information.

MR. KNOX: Your biggest challenge there is going to be getting a reasonable sample size of bull trout to really tell anything.

MR. HOWISON: Uh-huh.

MR. KNOX: Because I don't think there's very many there. Although Jeremiah's found more than I've seen or heard about in years.

So it seems like he's got a knack for it. So I'm kind of anxious to see what he might come up with.

MR. HOWISON: All right. Yeah. We'll try our luck I guess.

And then for wildlife and botanical we have kind of our standard suite of terrestrial studies that include vegetation cover type mapping, noxious weed survey, riparian and wetland delineation and mapping, sensitive plant surveys and wildlife observations, but

those are anecdotal. We've not proposed any protocol wildlife surveys at this time.

For recreation and land use, once again kind of a standard set of studies. We're looking at existing recreation use and opportunities in the project vicinity.

We'll do a basic recreation use needs assessment, that would include Pacific Park and the Forest Service trail head and the state park.

And then finally we'll take a look at project consistency with existing and planned land uses.

For aesthetics, we'll do a basic inventory of existing aesthetic conditions due to project facilities and operations.

And we'll also look at the project's consistency with existing aesthetic designations, plans, or management objectives.

And I think we'll be primarily using the Forest Service forest management plan and the Forest Service visual management system for that study.

For cultural resource, we'll be doing inventory and evaluation for the three cultural resource types. Historic buildings and structures.

Archeologic sites, we're proposing a

pedestrian survey of archeologic sites. And we will also do research and consult with Tribes on traditional properties.

And that's all I have, unless there are additional questions.

MR. HOMOLKA: What seasons and how much time does it take to do the vegetation, the four vegetation surveys?

MR. HOWISON: You have me on that one.

MR. HOMOLKA: Are they like a single day job or --

MR. HOWISON: Well, the main area for say the rare plant surveys is our little kind of the perimeter, what's in the project boundary up around the forebay.

I wished the botanists were here to give you some more detail. But I think -- I would certainly think that it's one of the things that we would like to accomplish in a single year.

In terms of what seasons, I'm not sure I have a good answer. And I think we're -- in general we're probably looking at a several day effort, I think at least, to cover the area for each specific study.

MR. HOMOLKA: Because the reason I

asked is you talked about the wildlife observations that while conducting botanical surveys, wildlife observations would be recorded.

MR. HOWISON: Uh-huh.

MR. HOMOLKA: I'm trying to see how much effort --

MR. HOWISON: How many days they're going to actually be out there?

MR. HOMOLKA: Uh-huh. And what time of year and how useful that would be for getting wildlife information.

And then that would probably most likely be like terrestrial wildlife. And I don't know offhand if there's any aquatic amphibian issues there.

MR. KNOX: I don't know about issues. But you could find some. I don't think -- there's probably tailed frog and long toed salamanders would be the most likely. I don't think you'd find spotted frogs in this kind of vicinity.

MR. HOWISON: Well, for things like rare plant surveys, aren't those typically done kind of spring/summer when plants are booming and that kind of thing?

So I'm -- my general thought on it is that we would be kind of late spring, summer, fall, I would

think that we would be doing various components of these.

We can certainly talk about that a little more as we're developing the study plan. And maybe we can kind of by design do these -- do some of these different things at different times to kind of address what you're raising.

MR. HOMOLKA: Yeah. We can add something in our comments about that as well.

MR. CUTLIP: That sounds reasonable. Any other questions about Russ' discussion on study proposals?

MR. KNOX: No. I'd just say that if you guys are out, when you guys get cranked up on the bull trout stuff, let us know, we'll be glad to participate.

MR. HOWISON: Okay. We will. We will. And one of the other things that we've thought about internally is for the instream flow study, I'm sure you guys know and we saw it in the field, but the best habitat goes through people's yards, private land.

And so accessing in there to identify transects and do the work is going to require coordination with landowners.

And we thought that maybe the district

biologist might be the best person to kind of break the ice on that.

MR. KNOX: Possibly. I don't even -- I've dealt with some of the landowners along there. But I'm not even sure I know who all of them are.

MR. HOWISON: Right. We might be coming to you looking for a little help on that.

MR. KNOX: Yeah. It might be good, you never know. It depends on the landowner. Sometimes it's good to have us along and sometimes not.

MR. HOWISON: Right. Yeah.

MR. CUTLIP: Okay. Well, I think we'll move on to the remainder of the scoping meeting. At this point I will just briefly discuss the criteria for requesting studies.

I know ODF&W has been through this on several ILPs. But you know, it's good for everybody involved to be aware of what's going on with the study requests component of the process.

In order to better focus study requests during the prefiling licensing process, a list of criteria were developed as part of the integrated licensing process.

These criteria are very important, because they make very clear the intended goals and methods of

the study request and how the study -- ultimately how the information collected by the study would relate back to project operations.

You can see Criteria No. 1, 2, 3, 4, 5 there, next to project operation and effects. Basically what we're getting at there is how would the information inform the development of license articles.

So while we acknowledge that there is some information that needs to be collected, just for the purpose of structuring the effected environment in the EA, we don't typically require studies that are just for the purpose of collecting information for the sake of collecting information.

So, because we ultimately have to make a determination on whether the benefits of the study would justify its cost to the rate payers.

So the same way that we do the same with our environmental analysis and our balancing for license conditions, a lot of the same concepts are applied for study planning.

So we just ask that you please clearly identify how your study requests complies with each of the criteria or addresses each of the criteria.

They are very clearly stated. And they're

listed in Section 5.9B of the Commission's regulations. Appendix A of the Scoping Document provides the specific criteria in more detail as set forth in the regulations.

MR. KNOX: So you can't ask them to do an assessment of the overall bull trout population in Wallowa Lake?

MR. CUTLIP: It's probably going to have difficulty approving that one. Or for example the kokanee population. At some point --

MR. KNOX: We're working on that. But bull trout is a spot we haven't done a lot of follow-up.

MR. CUTLIP: Yeah. Population level studies are typically difficult to stick on the licensee and the rate payer.

MR. KNOX: I was being vague, and saying that tongue and cheek.

MR. CUTLIP: Okay. So on to the end here. Just to reiterate some of the upcoming important dates for the ILP.

Again study requests are due 30 days from today, June 23rd. At this time we have a study plan meeting -- or no, we have -- the study plan will be filed by PacifiCorp on August 7th.

This would incorporate -- at this point the proposed study plan would incorporate both their proposals for studies and taken into consideration, the study requests.

We would then have a meeting on September 6th, if there's a need to. But at this point we are committed to that.

Comments would then be due on PacifiCorp's proposed study plan on November 5th, from all stakeholders.

PacifiCorp would have a chance to respond to those comments and revise the study plan on December 5th.

You then have one more opportunity to comment, based on the revised study plan, before the director makes his study plan determination two weeks later.

And then FERC's study plan determination, the director study plan determination would be issued on January 4th.

That would finalize the study plan. PacifiCorp would then go forward and implement the study plan beginning that spring.

And that is all I have. Are there any additional questions or comments?

MR. HOMOLKA: Yeah. At this point there hasn't been any opportunities to intervene, that comes later in this process?

MR. CUTLIP: Yeah. There wouldn't be any opportunity to intervene until after the application's filed

MR. HOMOLKA: Okay. That's what I thought. I looked up the service list this morning. There's a fair number of entities on there. And I'm not sure why some of them are on there or how they got there.

MR. CUTLIP: They were probably intervening on past activities under the existing license.

So, and those service lists are -- can be problematic, in terms of keeping updated. But once the application's filed, if there are intervenors, they would be added to that.

MR. HOMOLKA: Actually the reason I'm asking that is under the project decommissioning section, and I'm not aware of anybody who's proposing that, but it does say here that no party has suggested project decommissioning would be appropriate.

But you really haven't gotten input. And really since there hasn't been opportunity to

intervene --

MR. CUTLIP: Oh, right.

MR. HOMOLKA: I mean, it just seems like it's out ahead of the consultation process in what's being stated here.

MR. CUTLIP: Okay. Yeah. I'd have to look at that in more detail.

MR. HOMOLKA: Yeah. It's just the second paragraph, under Section 34 -- 3.4.

MR. CUTLIP: Yeah. It actually shouldn't say, "Party." It should just say, "No entity." Because, yeah, you're right.

There is no -- we have no parties, because we don't have any motions to intervene on the relicensing proceeding.

So, but at this point no entity has suggested decommissioning. You know, if that comes up during the process moving forward, we could look at that, but right now we're not. We see no reason to consider that.

MR. HOMOLKA: Yeah. And just, you know, like for the non power licensing and federal takeover, I think it's kind of the same thing in that there hasn't been a whole lot of consultation or input at this point.

MR. CUTLIP: Sure. And, yeah. We can -- if those issues come up down the road, we would have to deal with them.

So we can -- we would probably just address it in the NEPA document rather than in the Scoping Document.

Because all this is saying at this time, we don't see any reason to consider those as reasonable alternatives.

MR. HOMOLKA: Uh-huh.

MR. CUTLIP: But clearly if that becomes an issue down the road, between now and when the application is filed, we would have to look at it. But we would expect that we would get comments before we'd have to do that.

MR. HOMOLKA: Sure.

MR. CUTLIP: Any other comments or concerns?

MR. KNOX: I'd just like to get our office included on the mailing list.

MR. CUTLIP: Okay. Can I get that from you after the meeting and I'll make sure and get you on there?

MR. KNOX: Yeah.

MR. CUTLIP: Anything else?

Well, I will just conclude by saying transcripts for this meeting will be available on FERC's online records information system eLibrary, about ten days from now. You can access the eLibrary at ferc.gov.

You can also purchase the transcripts for 25 cents per page from the Commission's public reference room.

And with that, I would like to say thank you for participating. And the meeting is now closed.

(12:10 p.m.)

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